

North Dakota

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SMALL GRAINS ANNUAL SUMMARY

North Dakota Other spring wheat production for 2002 is estimated at 168 million bushels, down 28 percent when compared to last year. This is the lowest production level since 1999. Acreage harvested for grain, at 6.0 million, was 13 percent below last year. Yield averaged 28 bushels per acre, down 6 bushels from last year.

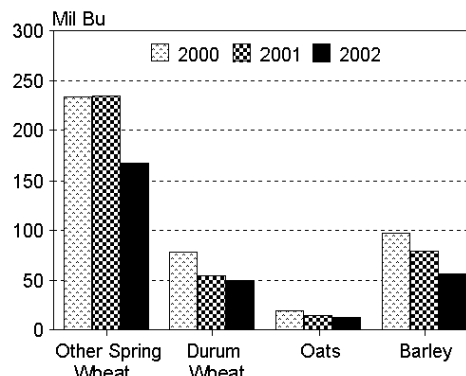
Durum wheat production is estimated at 50 million bushels, 8 percent below 2001. This is

the lowest production level since 1988 when production totaled 31.2 million bushels. Harvested acres, at 2.0 million, were down 5 percent from last year. The yield averaged 25 bushels per acre, down 1 bushel from last year.

Barley production is estimated at 57.0 million bushels down 28 percent from 2001. Acreage harvested for grain, at 1.24 million, was 14 percent below last year. Yield averaged 46 bushels per acre, down 9 bushels when compared to last year.

United States Other spring wheat production in 2002 is estimated at 402 million bushels, 22 percent below 2001. Harvested area is 13.6 million acres, 6 percent lower than last year. The U.S. yield is 29.5 bushels per acre, 5.7 bushels below last season.

**Small Grain Production
North Dakota, 2000-2002**



Durum wheat production for 2002 totaled 80.2 million bushels, 4 percent less than last year. Grain area totals 2.76 million acres, 1 percent below a year ago. The U.S. yield is estimated at 29.1 bushels per acre, 0.9 bushel per acre below 2001.

Barley production is estimated at 227 million bushels, down 9 percent from last year's estimate. This year's production is the lowest since 1937. Average yield per acre, at 54.9 bushels, is down 3.3 bushels from 2001. The area harvested for grain is estimated at 4.14 million acres, 4 percent below a year ago, and is the lowest level since 1898.

SMALL GRAINS ANNUAL SUMMARY: AREA PLANTED AND HARVESTED NORTH DAKOTA AND UNITED STATES, 2001 AND 2002

Crop	North Dakota				United States			
	Area Planted		Area Harvested		Area Planted		Area Harvested	
	2001	2002	2001	2002	2001	2002	2001	2002
	<i>1,000 Acres</i>		<i>1,000 Acres</i>		<i>1,000 Acres</i>		<i>1,000 Acres</i>	
Barley	1,500	1,600	1,450	1,240	4,967	5,073	4,289	4,135
Oats	575	670	240	290	4,403	5,005	1,905	2,098
Rye	13	10	10	9	1,328	1,395	255	286
Wheat, All	9,450	9,080	9,080	8,070	59,597	60,358	48,633	46,022
Winter	150	80	80	70	41,078	41,735	31,295	29,651
Durum	2,200	2,100	2,100	2,000	2,910	2,909	2,789	2,758
Other Spring	7,100	6,900	6,900	6,000	15,609	15,714	14,549	13,613

SMALL GRAINS ANNUAL SUMMARY: YIELD AND PRODUCTION NORTH DAKOTA AND UNITED STATES, 2001 AND 2002

Crop	Unit	North Dakota				United States			
		Yield		Production		Yield		Production	
		2001	2002	2001	2002	2001	2002	2001	2002
				<i>1,000</i>				<i>1,000</i>	
Barley	Bu	55.0	46.0	79,750	57,040	58.2	54.9	249,420	226,873
Oats	Bu	62.0	44.0	14,880	12,760	61.4	56.8	117,024	119,132
Rye	Bu	34.0	38.0	340	342	27.3	24.4	6,971	6,985
Wheat, All	Bu	32.2	27.3	292,400	220,660	40.2	35.3	1,957,043	1,624,636
Winter	Bu	40.0	38.0	3,200	2,660	43.5	38.5	1,361,479	1,142,802
Durum	Bu	26.0	25.0	54,600	50,000	30.0	29.1	83,556	80,245
Other Spring	Bu	34.0	28.0	234,600	168,000	35.2	29.5	512,008	401,589

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AGRICULTURAL PRICES

North Dakota

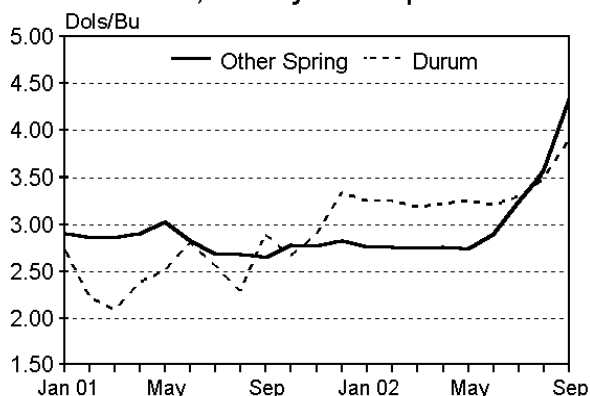
The Index of Prices Received for All Farm Products in September was 129 percent of the 1990-1992 base.

This is up 28 percent from last year and 42 percent above two years ago.

United States

The September All Farm Products Index was 99 percent of its 1990-92 base, down 1 percent from the August index and 7 percent below the September 2001 index.

**Durum & Other Spring Wheat Prices Received
North Dakota, January 2001-September 2002**



**INDEX NUMBERS OF FARM PRICES
September 15, 2002**

Indexes and Ratios	NORTH DAKOTA			UNITED STATES		
	Sep 2001	Aug 2002	Sep 15, 2002	Sep 2001	Aug 2002	Sep 15, 2002
PRICES RECEIVED (1990-92 = 100)						
ALL FARM PRODUCTS	101	119	129	106	100	99
CROPS	101	125	135	103	114	111
Food Grains	102	135	161	92	114	124
Feed Grains & Hay	99	124	125	92	110	115
Oil Bearing Crops ^{1/}	87	109	114	81	99	90
Potatoes & Dry Beans ^{2/}	105	102	103	103	130	108
LIVESTOCK	104	90	94	111	87	86
Meat Animals	102	81	89	96	84	81
Dairy Products	112	114	112	131	87	88
Poultry & Eggs	97	97	97	121	94	94
PRICES PAID						
RATIO ^{3/}	---	---	---	124	124	125
	---	---	---	85	81	79

^{1/} Includes non-oil sunflower. ^{2/} North Dakota includes sugarbeets. ^{3/} Ratio of Index of Prices Received to Index of Prices Paid.

PRICES RECEIVED BY FARMERS, September 15, 2002 ^{1/}

Item	Unit	NORTH DAKOTA			UNITED STATES			Effective U.S. Parity Price Sep 2002
		Sep 2001	Aug 2002	Sep 15, 2002	Sep 2001	Aug 2002	Sep 15, 2002	
		--- Dollars ---			--- Dollars ---			- Dollars -
Wheat, Durum	Bu	2.90	3.48	3.90	3.02	3.55	4.00	---
Other Spring	Bu	2.65	3.57	4.35	2.87	3.66	4.23	---
Winter	Bu	2.30	3.35	3.95	2.81	3.63	4.00	---
All	Bu	2.71	3.55	4.28	2.85	3.63	4.07	9.62
Corn	Bu	1.77	2.25	2.40	1.91	2.38	2.56	6.51
Rye	Bu	1.70	2.88	---	---	---	---	5.66
Oats	Bu	1.20	1.56	1.65	1.39	1.68	1.75	3.97
Barley, Feed	Bu	1.36	1.72	1.85	1.71	2.09	2.06	---
Malting	Bu	2.24	2.23	2.30	2.72	2.93	2.83	---
All	Bu	1.82	2.06	2.14	2.24	2.70	2.49	6.39
Sunflower, Oil	Cwt	8.28	14.90	13.00	---	---	---	---
Non-oil	Cwt	11.90	14.00	14.20	---	---	---	---
All	Cwt	10.40	14.30	13.80	8.64	13.00	12.60	---
Baled Hay, Alfalfa	Ton	50.00	79.00	74.00	108.00	101.00	102.00	---
Other	Ton	36.00	54.00	52.00	71.90	71.30	74.80	---
All	Ton	46.00	76.00	68.00	99.00	93.70	95.50	---
Flaxseed	Bu	4.11	5.27	5.65	4.10	5.27	5.65	11.40
Soybeans	Bu	4.10	5.12	5.25	4.53	5.53	5.54	14.30
Dry Edible Beans, Navy	Cwt	15.10	12.80	---	---	---	---	---
Pinto	Cwt	16.00	25.40	---	---	---	---	---
All	Cwt	15.80	21.10	16.10	18.10	23.40	17.80	48.20
Potatoes, Fresh ^{2/}	Cwt	9.50	---	---	10.20	14.80	---	---
Processing	Cwt	4.80	---	---	4.58	4.83	---	---
All	Cwt	5.40	---	4.85	6.04	7.65	6.53	13.60
Beef Cattle	Cwt	74.00	58.00	65.50	69.00	64.30	64.60	159.00
Steers & Heifers	Cwt	83.30	74.70	76.00	72.10	67.10	67.60	---
Cows	Cwt	39.10	34.90	34.00	40.80	36.40	35.40	---
Calves	Cwt	101.00	84.40	83.00	107.00	94.40	93.00	211.00
Sheep	Cwt	28.10	21.90	---	29.90	26.40	---	75.90
Lambs	Cwt	46.30	70.30	---	52.50	75.00	---	179.00
Hogs	Cwt	48.60	36.50	---	45.20	31.90	26.50	103.00

^{1/} Previous month and previous year prices are entire month average except for alfalfa, other and all hay which are mid-month prices. ^{2/} Fresh market prices only, includes table stock.

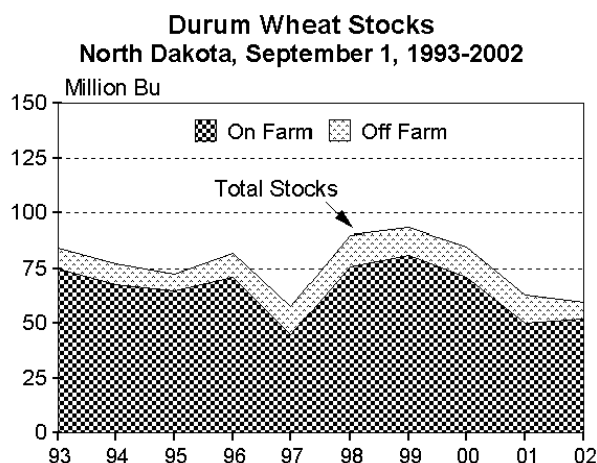
GRAIN STOCKS

North Dakota
All wheat stored in all positions in North Dakota on September 1, 2002 totaled 266 million bushels, down 12 percent from a year ago and lowest since September 1 of 1988. All wheat stocks include durum, other spring and winter wheat. On-farm stocks are estimated at 200 million bushels, down 11 percent from a year ago and the lowest since 1988's 180 million bushels. Durum wheat stocks in all positions totaled 59.9 million bushels, down 5 percent from a year ago. On-farm stocks, at 52.0 million bushels, were up 4 percent from a year ago but 27 percent below 2000's September 1 stocks. The June-August disappearance was 13.3 million bushels, down 44 percent from the same period a year earlier and the lowest since the 1993 June-August disappearance of 11.0 million bushels.

Oil sunflower stocks totaled 36.0 million pounds, a drop of 60 percent from a year ago and the lowest since 1993's 35.0 million pounds. On-farm, 6.5 million pounds were stored,

down from 22.0 million pounds last year and the lowest since 1993's 5.9 million pounds. Non-oil sunflower stocks totaled 64.7 million pounds, down 19 percent from a year ago. On-farm stocks totaled 4.50 million pounds, down from 19.0 million pounds last year.

United States
All wheat stored in all positions on September 1, 2002 totaled 1.74 billion bushels, down 19 percent from a year ago. On-farm stocks are estimated at 588 million bushels, down 16 percent from last year. The indicated June - August 2002 disappearance is 662 million bushels, down 2 percent from the same period a year earlier. Durum wheat stocks in all positions on September 1, 2002 totaled 93.1 million bushels, down 4 percent from a year ago. On-farm stocks, at 66.5 million bushels, are up 5 percent from last year. The indicated June-August 2002 disappearance of 20.2 million bushels is down 36 percent from the same period a year earlier.



Corn stocks in all positions on September 1, 2002 totaled 1.60 billion bushels, down 16 percent from September 1, 2001. Of the total stocks, 587 million bushels are stored on farms, down 22 percent from a year earlier. The June-August 2002 indicated disappearance is 2.00 billion bushels, compared with 2.02 billion bushels during the same period last year.

Soybeans stored in all positions on September 1, 2002 totaled 208 million bushels, down 16 percent from September 1, 2001. On-farm stocks totaled 62.7 million bushels, down 25 percent from a year ago. Indicated disappearance for the June - August 2002 quarter totaled 477 million bushels, up 4 percent from the same period a year earlier.

GRAIN STOCKS, September 1, 2002

Crop	Date	NORTH DAKOTA			UNITED STATES		
		On Farm	Off Farm ^{1/}	Total All Positions	On Farm	Off Farm ^{1/}	Total All Positions
Wheat, All	Sept 1, 2001	225,000	79,100	304,100	696,850	1,458,964	2,155,814
	June 1, 2002	90,000	37,500	127,500	216,830	560,282	777,112
	Sept 1, 2002	200,000	66,200	266,200	588,200	1,151,952	1,740,152
Durum Wheat ^{2/}	Sept 1, 2001	50,000	13,000	63,000	63,300	33,841	97,141
	June 1, 2002	17,000	6,200	23,200	20,600	12,390	32,990
	Sept 1, 2002	52,000	7,900	59,900	66,500	26,554	93,054
Barley	Sept 1, 2001	53,000	22,570	75,570	134,800	110,564	245,364
	June 1, 2002	11,000	14,000	25,000	23,210	69,631	92,841
	Sept 1, 2002	46,000	14,000	60,000	131,600	92,419	224,019
Oats	Sept 1, 2001	11,000	720	11,720	74,800	41,592	116,392
	June 1, 2002	5,100	500	5,600	28,650	34,552	63,202
	Sept 1, 2002	14,000	560	14,560	70,500	40,982	111,482
Corn	Sept 1, 2001	9,200	6,550	15,750	753,150	1,145,958	1,899,108
	June 1, 2002	14,000	5,000	19,000	2,020,600	1,576,290	3,596,890
	Sept 1, 2002	3,700	3,850	7,550	586,800	1,012,620	1,599,420
Soybeans ^{3/}	Sept 1, 2001	---	1,550	---	83,500	164,247	247,747
	June 1, 2002	6,000	3,980	9,980	301,200	383,721	684,921
	Sept 1, 2002	500	1,740	2,240	62,700	145,487	208,187
All Sunflower	Sept 1, 2001	41,000	129,100	170,100	86,890	258,101	344,991
	Sept 1, 2002	11,000	89,700	100,700	46,170	191,285	237,455
	Oil Sunflower	Sept 1, 2001	22,000	68,100	90,100	55,890	130,901
	Sept 1, 2002	6,500	29,500	36,000	32,070	76,032	108,102
Non-Oil Sunflower	Sept 1, 2001	19,000	61,000	80,000	31,000	127,200	158,200
	Sept 1, 2002	4,500	60,200	64,700	14,100	115,253	129,353
Mustard ^{4/}	Sept 1, 2001	---	---	---	---	---	18,449
	Sept 1, 2002	---	---	---	---	---	7,961
Safflower ^{4/}	Sept 1, 2001	---	---	---	---	---	56,604
	Sept 1, 2002	---	---	---	---	---	34,217

^{1/} Includes stocks at mills, elevators, warehouses, terminals and processors. ^{2/} Included in all wheat. ^{3/} On-farm stocks estimate reinstated December 1, 2001.

^{4/} Estimates published at U.S. level only.

LESS WHEAT AVAILABLE SAYS USDA

by
George Flaskerud
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Stocks of all wheat and production of spring wheat were below the average of trade expectations in the reports released by USDA on September 30. Stocks were within the range of expectations, but production was below even the lowest estimate.

Price expectations for spring wheat may need to be raised another notch after those reports. The Minneapolis December wheat futures contract had reached a high of \$5.21 prior to the reports on September 9. December futures near \$5.50 may now be within reach.

It's getting close to that time of the year when Minneapolis wheat futures tend to reach a fall peak. They tend to peak during November, on average, so scaling-up sales of remaining inventory into that time-frame would be a reasonable strategy. The November peak also applies to durum.

Hard red spring wheat production was down 11 percent from the August estimate! Hard red winter was down 3 percent, soft red was down 2 percent while white and durum were up 1 percent each. All wheat production was down 4 percent. Hard red spring wheat production was down 23 percent from a year ago. In North Dakota, spring wheat production was down 28 percent, due to a reduction in

harvested acres and yield. About 87 percent was harvested instead of the typical 95-98 percent and the yield was 28 bushels versus 34 a year ago. At the national level, the spring wheat yield was 29.5 versus 35.2 a year ago.

Durum production was 80.2 million bushels versus 83.5 million a year ago. In North Dakota, 50 million bushels were harvested versus 54.6 million a year ago.

A significant portion of the reduction in wheat stocks was likely due to the reduction in production. Relative to average trade expectations, they were both down a similar amount, which implies that the level of wheat feeding may have been about as expected.

Barley production and stocks were both down 9 percent from a year ago. More importantly, the production estimate was 10 percent below the August estimate. According to the USDA report, this year's production is the lowest since 1937. The average U.S. yield was 54.9 bushels and 46 in North Dakota. The Minnesota yield was only 39 bushels per acre. The average was 42 in Montana and 41 in South Dakota.

Oats production was 2 percent above a year ago but 16 percent below the August estimate. Stocks were down

4 percent from a year ago. A yield of 56.8 bushels was estimated nationally versus 61.4 a year ago. In North Dakota, the average yield was 44 bushels versus 62 a year ago. North Dakota production ranked number one last year but fourth this year.

Barley and oats prices should be well supported by the reports. As for spring wheat and durum, November stands out as one of the better months for making sales.

The stocks report for corn was not much of a surprise. Stocks did come in below trade expectations but not by very much (2 percent below the average). Corn and soybeans were not included in the production report which was limited to small grains.

The stocks report for soybeans was a surprise, but on the negative side for price. USDA found 18 million bushels more than the trade expected and 15 million more than they had estimated in the September supply and demand report as ending stocks for the 2001 marketing year.

Corn and soybean prices may be under pressure until after harvest. Early harvest reports indicate better than expected yields. Price weakness in these markets may also affect the wheat market.

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